

FARMLAND PRESERVATION CREDIT PROGRAM
AND FARMLAND TAX RELIEF PROGRAM

Approximately \$30.3 million in direct benefits was distributed to Wisconsin farmers in 2002 through the Farmland Preservation Credit Program and the Farmland Tax Relief Credit Program.

About 21,000 farmers claimed Farmland Preservation Credits amounting to \$16.6 million, and 56,400 farmers received Farmland Tax Relief Credits totaling \$13.7 million. The credits are paid through the state income tax or as a cash refund if the credit exceeds income tax due. The Farmland Preservation Credit Farmland and the Farmland Tax Relief Credit may not exceed 95% of the property taxes accrued on the farm.

The goals of the Farmland Preservation Credit Program are twofold: to preserve Wisconsin farmland by means of local land use planning and soil conservation practices and to provide property tax relief to farmland owners. To qualify for the credit, farmland must be 35 acres or more and zoned for exclusive agricultural use or be subject to a preservation agreement between the farmland owner and the state. About 80% of the claims are for land under zoning and 20% are for land covered by agreements. In addition, participants must comply with soil and water conservation standards set by the state Land Conservation Board.

Farmland Preservation Credits averaged \$797 per claimant, equal to 21% of claimants' average property tax bills. Approximately 37% of farm owners with 35 acres or more claimed Farmland Preservation Credits in 2002.

Table 1 shows statistics on participation in the program by county. The largest total credit payments were in Columbia, Dane, Dodge, Fond du Lac, Iowa, and Jefferson counties.

The Farmland Tax Relief Credit Program provides direct benefits to all farmland owners with 35 or more acres. The credit is computed as a percentage of property taxes up to a maximum credit of \$1,500. The Department of Revenue annually determines the percentage that is used to calculate the amount of a claim based on the estimated number of claims and the amount appropriated for the credit. The 2001 credit equaled 11% of the first \$10,000 of 1999 property taxes on farmland and averaged \$208. The 2002 credit equaled 13% of the first \$10,000 of 2001 property taxes. The 2003 credit will equal 30% of the first \$10,000 of 2002 property taxes; the 2003 credit rate is much higher than in previous years because use value assessment has sharply reduced property taxes on farmland. Table 2 shows statistics on participation in the Farmland Tax Relief Program by county.

Data in both tables are shown for the county in which the claimant lives, which may not be the same as the county in which the farmland is located.

TABLE 1
FARMLAND PRESERVATION CREDIT BY COUNTY, 2002
 (2001 Property Tax Year)

COUNTY	NUMBER OF CLAIMS	AMOUNT OF CREDIT	AVERAGE CREDIT	PARTICIPATION RATE(1)	COUNTY	NUMBER OF CLAIMS	AMOUNT OF CREDIT	AVERAGE CREDIT	PARTICIPATION RATE(1)
ADAMS	28	\$29,167	\$1,042	12.4%	MARINETTE	20	\$11,562	\$578	5.6%
ASHLAND	18	11,111	617	26.1%	MARQUETTE	38	37,417	985	14.1%
BARRON	422	386,285	915	39.2%	MILWAUKEE	24	6,517	272	13.9%
BAYFIELD	37	39,700	1,073	27.0%	MONROE	90	73,541	817	8.6%
BROWN	793	468,508	591	71.4%	OCONTO	32	15,890	497	4.2%
BUFFALO	211	202,225	958	26.3%	ONEIDA	D	D	D	D
BURNETT	30	28,891	963	17.6%	OUTAGAMIE	358	231,048	645	29.5%
CALUMET	298	181,572	609	34.9%	OZAUKEE	184	113,688	618	54.9%
CHIPPEWA	88	45,595	518	7.2%	PEPIN	104	80,666	776	24.7%
CLARK	101	83,635	828	6.1%	PIERCE	168	156,526	932	17.9%
COLUMBIA	858	731,191	852	63.7%	POLK	94	59,521	633	12.3%
CRAWFORD	180	192,205	1,068	26.0%	PORTAGE	121	108,792	899	16.7%
DANE	1,760	1,215,601	691	63.2%	PRICE	25	17,122	685	17.4%
DODGE	848	748,944	883	42.6%	RACINE	49	25,928	529	11.1%
DOOR	71	41,460	584	14.7%	RICHLAND	486	515,360	1,060	64.2%
DOUGLAS	D	D	D	D	ROCK	930	695,124	747	71.7%
DUNN	216	173,787	805	19.1%	RUSK	49	41,751	852	13.3%
EAU CLAIRE	230	215,616	937	30.1%	ST. CROIX	313	221,549	708	31.5%
FLORENCE	D	D	D	D	SAUK	593	585,426	987	45.3%
FOND DU LAC	1,216	870,936	716	73.7%	SAWYER	8	8,060	1,008	10.3%
FOREST	D	D	D	D	SHAWANO	404	326,989	809	31.7%
GRANT	761	568,144	747	36.6%	SHEBOYGAN	681	472,235	693	68.1%
GREEN	215	177,780	827	18.2%	TAYLOR	45	41,517	923	7.0%
GREEN LAKE	264	217,184	823	45.5%	TREMPEALEAU	338	306,950	908	28.1%
IOWA	980	979,911	1,000	86.5%	VERNON	288	310,465	1,078	22.9%
IRON	D	D	D	D	VILAS	D	D	D	D
JACKSON	41	39,857	972	7.7%	WALWORTH	498	335,194	673	62.0%
JEFFERSON	959	724,719	756	74.2%	WASHBURN	15	12,611	841	10.2%
JUNEAU	56	59,501	1,063	11.5%	WASHINGTON	139	106,625	767	17.8%
KENOSHA	29	14,036	484	11.1%	WAUKESHA	108	59,035	547	25.2%
KEWAUNEE	652	410,985	630	76.3%	WAUPACA	111	76,080	685	12.7%
LA CROSSE	291	273,082	938	50.4%	WAUSHARA	41	35,441	864	10.6%
LAFAYETTE	539	519,627	964	49.4%	WINNEBAGO	168	112,509	670	23.0%
LANGLADE	225	145,959	649	65.0%	WOOD	47	31,940	680	5.8%
LINCOLN	14	8,618	616	5.9%	OTHER (2)	242	427,559	1,767	- - -
MANITOWOC	835	566,854	679	65.1%	Total Individuals	20,490	16,354,608	\$798	36.9%
MARATHON	397	312,514	787	19.8%	Total Corporations	376	\$273,013	\$726	42.8%
					Total (Indiv. + Corp.)	20,866	\$16,627,621	\$797	37.0%

NOTES:

Data on number of claims and credit amount for individuals are from tax returns processed between July 1, 2001 and June 30, 2002. Data on number and amount of corporate credits are from taxes returns processed between January 1, 2002 and December 31, 2002.

The data are based on county of claimant, which may not be the same as the county in which the farmland is located.

(D) Data for counties with 5 or fewer claimants are not disclosed; however, data for these counties are included in the state totals.

(1) Estimated participation rate is the number of Farmland Preservation Credit claimants in the county as a percentage of the number of Farmland Tax Relief claimants in the county as shown in Table 2.

(2) Includes credits on returns for which no county is specified and out-of-state returns.

TABLE 2
FARMLAND TAX RELIEF CREDIT BY COUNTY, 2002

COUNTY	NUMBER OF CLAIMS	AMOUNT OF CREDIT	AVERAGE CREDIT	COUNTY	NUMBER OF CLAIMS	AMOUNT OF CREDIT	AVERAGE CREDIT
ADAMS	225	\$79,785	\$355	MARINETTE	357	\$71,219	\$199
ASHLAND	69	15,571	226	MARQUETTE	270	84,284	312
BARRON	1,077	210,198	195	MILWAUKEE	173	31,849	184
BAYFIELD	137	34,165	249	MONROE	1,042	260,024	250
BROWN	1,111	200,455	180	OCONTO	756	135,390	179
BUFFALO	802	302,495	377	ONEIDA	25	7,899	316
BURNETT	170	32,527	191	OUTAGAMIE	1,213	235,556	194
CALUMET	855	167,355	196	OZAUKEE	335	69,480	207
CHIPPEWA	1,229	262,759	214	PEPIN	421	120,495	286
CLARK	1,645	306,762	186	PIERCE	939	252,693	269
COLUMBIA	1,347	348,150	258	POLK	767	161,384	210
CRAWFORD	692	176,021	254	PORTAGE	724	199,385	275
DANE	2,786	685,020	246	PRICE	144	30,989	215
DODGE	1,991	509,326	256	RACINE	443	113,261	256
DOOR	483	78,138	162	RICHLAND	757	220,753	292
DOUGLAS	60	9,220	154	ROCK	1,297	345,799	267
DUNN	1,133	322,090	284	RUSK	368	66,973	182
EAU CLAIRE	764	165,257	216	ST. CROIX	995	236,709	238
FLORENCE	22	5,391	245	SAUK	1,309	350,195	268
FOND DU LAC	1,651	351,908	213	SAWYER	78	21,422	275
FOREST	44	8,178	186	SHAWANO	1,273	257,200	202
GRANT	2,077	524,999	253	SHEBOYGAN	1,000	173,328	173
GREEN	1,182	335,903	284	TAYLOR	643	133,964	208
GREEN LAKE	580	145,595	251	TREMPEALEAU	1,202	312,185	260
IOWA	1,133	332,722	294	VERNON	1,256	306,865	244
IRON	15	3,193	213	VILAS	25	6,368	255
JACKSON	532	191,741	360	WALWORTH	803	223,897	279
JEFFERSON	1,292	262,354	203	WASHBURN	147	33,030	225
JUNEAU	486	131,396	270	WASHINGTON	780	166,854	214
KENOSHA	261	70,614	271	WAUKESHA	429	103,302	241
KEWAUNEE	855	150,022	175	WAUPACA	875	189,263	216
LA CROSSE	577	166,553	289	WAUSHARA	388	117,737	303
LAFAYETTE	1,090	354,992	326	WINNEBAGO	730	154,777	212
LANGLADE	346	82,105	237	WOOD	816	170,845	209
LINCOLN	238	57,227	240	MENOMINEE	D	D	D
MANITOWOC	1,282	251,862	196	OTHER*	456	112,899	248
MARATHON	2,003	396,191	198				
				Total Individuals	55,480	13,206,842	\$238
				Total Corporations	879	\$446,255	\$508
				Total (Indiv. + Corp.)	56,359	\$13,653,097	\$242

NOTES:

Data on number of claims and credit amount for individuals are from tax returns processed between July 1, 2001 and June 30, 2002.

Data on the number and amount of corporate credits are from tax returns processed between January 1, 2002 and December 31, 2002.

The data are based on county of claimant, which may not be the same as the county in which the farmland is located.

* Includes credits on returns for which no county is specified and out of state returns.

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